Nebraska Association of Service Providers
1200 Libra DR, Suite 100, Lincoln NE 68512
(402) 320-5319 www.neserviceproviders.org

NASP

Request that ARPA funding be allocated towards the hiring, retaining, and training of Direct Support Professionals in Developmental Disability (DD) Services

Key findings from ANCOR's 2021 *State of America's Direct Support Workforce Crisis* survey include that:

- **77% of providers are turning away referrals**, a 16.7% increase since the beginning of the pandemic.
- **58% of providers are discontinuing programs and services**, a 70.6% increase since the beginning of the pandemic.
- **81% of providers are struggling to achieve quality standards**, a 17.4% increase since the beginning of the pandemic.
- **Nearly 3 in 10 providers report spending at least $500,000 annually** on costs associated with high turnover and vacancy rates.
- **92% of providers report that the COVID-19 pandemic continues to complicate their ability to recruit and retain** qualified direct support professionals.

"The COVID-19 pandemic drastically changed the landscape of service provision and accelerated the shortage of direct support professionals, or DSPs, the frontline workers who support people with DD to be included in the community. For decades, the United States has witnessed a significant shortage of DSPs due to stagnant reimbursement rates and the inability of providers to offer competitive wages with entry-level industries, such as fast food, retail and convenience. ANCOR conducted a national survey of providers of community-based DD services to glean a deeper understanding of how they experience the human and financial impacts of the DSP workforce crisis. The results of that survey were staggering: at alarming rates, providers were discontinuing services, turning away new referrals, delaying the launch of new programs, struggling to adhere to quality standards and more."

Read full report here:
www.ancor.org/newsroom/news/results-are-and-america's-direct-support-workforce-crisis-only-getting-worse

Without significant ARPA investment, Nebraska will not be able to support the people with disabilities currently receiving services, let alone begin clearing the 3000+ families on the waiting lists.

The pandemic has created a job market in which DD providers are forced to compete with industries that have the luxury of adjusting their hours or raising prices to address staffing challenges. DD services *cannot* do the same. Our rates are dependent upon the state and Medicaid.

A failure to adequately invest will also hinder the Unicameral's efforts to create equity and opportunity in our state and communities, as a failure to invest in the DSP workforce is a failure to invest in a community of professionals who are predominantly women and people of color. In all, choosing not to stabilize the direct support workforce will have devastating consequences not only for people with disabilities and their families, but also for local economies.

Please help us help others by allocating ARPA funds towards expanding the Direct Support Workforce in developmental disabilities services via hiring & retention bonuses and training.

Nebraska Association of Service Providers
1200 Libra DR, Suite 100, Lincoln NE 68512
(402) 320-5319 www.neserviceproviders.org

Developmental Disability (DD) Services - FMAP 10% / ARPA Spending Plan

Background:

- ARPA funds are available for states to supplement, not supplant, funding priorities for DD services
- Nebraska has roughly $90 million to allocate from increased FMAP 10% / ARPA
  - This is separate from the ARPA general state funds
- Nebraska has not included support for DD services in its current spending plan
  - Submitted spending plan can be read here: dhhs.ne.gov/Pages/DD-Providers.aspx

Nebraska's Current Spending Plan:

- Only $29.53 million in funds have been earmarked
  - $5.75 million for grants for agencies to purchase telehealth equipment
  - $20.7 million to convert or renovate facilities for other purposes or enhance purpose
  - $1.2 million for funding community living grants
  - $5 million for fiscal intermediary & rate methodology for personal assistance and chore services
- $60.471 million of Nebraska's HCBS ARPA funds are currently unallocated

Political Peers' (Florida, Texas, Arkansas) Plans:

- Texas - $720 million in allocated funds
  - 65.5% for provider retention bonuses (Nebraska equivalent would be $59 million)
  - 10.7% for expanded services offerings (Nebraska equivalent: $9.6 million)
- Florida - $1.14 billion in allocated funds
  - 31.1% for a one-time provider stipend (Nebraska equivalent: $28 million)
  - 23.3% for incentives for recruiting and retaining DSPs (Nebraska equivalent: $21 million)
- Arkansas - $122.7 million in allocated funds
  - 49% for HCBS workforce stabilization & quality improvement (Nebraska equivalent: $44 million)
  - 35.6% for expanding & enhancing HCBSs (Nebraska equivalent allocation: $29.3 million)

Geographic Peers' (Missouri, Wyoming, Minnesota, Colorado) Plans:

- Missouri - $216.8 million in allocated funds
  - 30.9% for increased DSP provider rates (Nebraska equivalent: $27.8 million)
  - 18.9% for workforce recruitment and retention (Nebraska equivalent: $16.9 million)
  - 23% for new and additional HCBS services (Nebraska equivalent: $20.7 million)
- Wyoming - $35.2 million in allocated funds
  - 60% for expanding provider capacity and workforce capacity (Nebraska equivalent: $54 million)
- Minnesota - $685 million in allocated funds
  - 61.5% for increased provider rates (Nebraska equivalent: 55.3 million)
    - This increase was made permanent by Minnesota
- Colorado - $501 million in allocated funds
  - 48.2% for strengthening the DSP workforce and enhancing rural sustainability of services (Nebraska equivalent: $43.3 million)

Our Support Request:

- Hiring and retention bonuses to address critical staff shortages in highly competitive pandemic market
- Funding for training of new hires to ensure quality of care and reduce turnover loss
  - It costs approximately $3000 to fully onboard a new hire; with 100% turnover rate, costs end up being closer to $6000 in resources for every one new hire who stays past 90 days